

MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

PART I: GENERAL INFORMATION

Type of Requestor: (X) HCP () IE () IC		Response Timely Filed? (X) Yes () No	
Requestor Memorial Hermann Hospital System c/o Sullins Johnston Rohrbah & Magers 2200 Phoenix Tower 3200 Southwest Frwy. Houston, TX 77027		MDR Tracking No.: M4-05-2708-01	
		TWCC No.: [REDACTED]	
		Injured Employee's Name: [REDACTED]	
Respondent Insurance Co. of the State of PA Rep. Box # 19		Date of Injury: [REDACTED]	
		Employer's Name: [REDACTED]	
		Insurance Carrier's No.: [REDACTED]	

RECEIVED

JUN 28 2005

FLAHIVE, OGDEN & LATSON
ANITA DRAKE

PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
12-9-03	12-23-03	Inpatient Hospitalization	\$60,940.50	\$43,052.50

PART III: REQUESTOR'S POSITION SUMMARY

Services were medically necessary that exceed stoploss threshold.

PART IV: RESPONDENT'S POSITION SUMMARY

Requestor billed a total of \$81,254.00. The Requestor asserts it is entitled to reimbursement in the amount of \$60,940.50, which is 75% of the total charges. Requestor has not shown entitlement to this alternative, exceptional method of calculating reimbursement and has not otherwise properly calculated the audited charges.

PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

The Discharge Summary indicates that claimant "was admitted on an urgent basis on December 9, 2004, after undergoing a laminectomy and decompression on November 28, 2003. When admitted, he was noted to have shortness of breath, dyspnea, poor saturation, wheezing, and a fever...It was determined that he had pulmonary cysts, pulmonary nodules, pulmonary edema, and pleural effusion. He was temporarily transferred to the SIMU for a high level of care and eventually transferred back to the floor...The wound was thoroughly irrigated and debrided by Dr. Francis and drains were obtained. We discharged him to home on December 24, 2003."

After reviewing the documentation provided by both parties, it does appear that this particular admission involved "unusually extensive services." In particular, this admission resulted in a hospital stay of 14 days based upon an infection that developed subsequent to the operation. Accordingly, the stop-loss method does apply and the reimbursement is to be based on the stop-loss methodology.

The requestor noted in records submitted that "Carrier denied \$44,268.00 as not related to the original injury." A review of TWCC records do not support that carrier filed a TWCC 21 with Commission disputing entitlement or extent of injury. Therefore, services will be reviewed per ACIHFG.

The total audited charges associated with this admission equals \$81,254.00. This amount multiplied by the stop-loss reimbursement

or (75%) results in a workers' compensation reimbursement amount equal to \$60,940.50.

The insurance carrier paid \$17,888.00 for the inpatient hospitalization. The difference between amount paid and amount due = \$43,052.50.

Based on the facts of this situation, the parties' positions, and the application of the provisions of Rule 134.401(c), we find that the health care provider is entitled to a reimbursement amount for these services equal to \$43,052.50.

PART VI: COMMISSION DECISION AND ORDER

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is entitled to additional reimbursement in the amount of \$43,052.50. The Division hereby **ORDERS** the insurance carrier to remit this amount plus all accrued interest due at the time of payment to the Requestor within 20-days of receipt of this Order.

Ordered by:



Authorized Signature

Allen McDonald, Director

Typed Name

June 24, 2005

Date of Order

Decision by:



Authorized Signature

Elizabeth Pickle, RHIA

Typed Name

June 24, 2005

Date of Order

PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on 6-27-05. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.

PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision in the Austin Representative's box.

Signature of Insurance Carrier: _____ Date: _____